



DEPARTMENT OF THE TREASURY  
INTERNAL REVENUE SERVICE  
WASHINGTON, D.C. 20224

TAX EXEMPT AND  
GOVERNMENT ENTITIES  
DIVISION

JAN 03 2007

T: EP: RA: Az

In re:

Company =

This letter constitutes notice that your request for a waiver of the minimum funding standard for the above-named plan for the plan year ending February 28, has been denied.

The Company's primary business had been the sale and custom application of . Application of the was made by ground and . The current financial hardship was brought on by many factors. After the events of September 11, 2001, the Company was forced to cease operations for several months because its were not allowed to . The Company was unable to raise its prices to meet growing expenses because of the general downturn experienced by the agriculture industry. Additionally, the Company suffered damage to two of its resulting in additional unforeseen expenses. As a result, the Company made the decision in November to cease its agricultural operations. However, the Company has expanded by pursuing other business opportunities. Specifically, the Company started a coffee franchise and began leasing industrial property that it owns.

The Company identified a buyer for of unencumbered industrial property that the Company owns. The Company intends to use the proceeds of this sale to fully fund the Plan and then terminate the Plan in the next year or two.

Section 412(d)(2)(D) of the Code states that one of the factors in determining temporary substantial business hardship is whether it is reasonable to expect that the plan will be continued only if the waiver is granted. Since the Company has indicated that it is planning on terminating the Plan, it is not reasonable to expect that the Plan will be continued only if the waiver is granted.

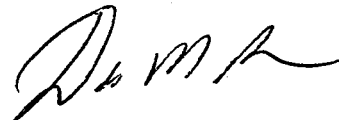
You were notified in a letter dated November 16, 2006, that your request had been tentatively denied, and you were offered the opportunity of a conference of right to review this decision and to present additional information that you believe the Service should take into account before finalizing this ruling. You were also informed that if this conference did not take place within 21 days of the date of the letter your request for a waiver of the minimum funding standard for the plan year ending February 28, would be denied, and a ruling letter to that effect would be issued. You have not contacted this office to schedule a conference. Hence, your request for a waiver of the minimum funding standard for the plan year ending February 28, has been denied.

This ruling is directed only to the taxpayer that requested it. Section 6110(k)(3) of the Code provides that it may not be used or cited by others as precedent.

We have sent a copy of this letter to the Manager, EP Classification in \_\_\_\_\_, to the Manager, EP Compliance Unit in \_\_\_\_\_, and to your authorized representative pursuant to a power of attorney on file in this office

If you require further assistance in this matter, please contact

Sincerely yours,



Donna M. Prestia, Manager  
Employee Plans Actuarial Group 2